GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3374
ANSWERED ON:18.12.2015
Import of Defence Equipment
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Will the Minister of DEFENCE be pleased to state:

(a) the total expenditure incurred on import of various defence equipments during each of the last three years and the current year;

(b) the names of countries from which import of defence equipment is being done;

(c) whether the Government has taken steps for minimizing dependency on import for most of the defence equipment requirement;

(d) if so, the details thereof; and

(e) whether the Government has made any assessment of the quantum of reduction in the defence import during the last one year, after the implementation of 'Make in India' programme and if so, the details thereof?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) to (e): The expenditure on capital acquisition in respect of orders placed on foreign vendors during each of the three years from 2012-13 to 2014-15 was as shown below:

(Rs. in crore)

Year Expenditure

2012-13 26313.00

2013-14 35082.10
2014-15 24992.36

During the last three and current year, contracts have been signed with foreign vendors including those from USA, Russia, Israel, France, Germany, U.K. and Switzerland for Capital Procurement of defence equipment.

Capital Procurement of defence equipment is carried out as per Defence Procurement Procedure (DPP-2013). It provides that preference will be given to indigenous design, development and manufacture of defence equipment. Therefore, whenever the required arms, ammunition & equipment can be made by Indian Industry within the timelines required by the Services, the procurement will be made from indigenous sources. The DPP-2013 mandates higher preference to the 'Buy (Indian)', 'Buy & Make (Indian)' and 'Make' categorization in Capital Procurement. The Defence Production Policy focuses on greater self-reliance in defence production. Government has also raised the FDI limit in defence production from 26% to 49%.

The expenditure in respect of orders placed on foreign vendors was Rs.35082.10 crore in 2013-14 and Rs.24992.36 crore in 2014-15.

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